

**DRAFT**

PRELIMINARY RETAIL MARKET ANALYSIS  
OF  
DOWNTOWN BERKELEY

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City of Berkeley

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## INTRODUCTION

The purpose of this initial report is to present the findings and conclusions resulting from a retail market analysis of downtown Berkeley. The study was conducted by Lynn Sedway & Associates in conjunction with an extensive planning process to develop a Downtown Plan for the City of Berkeley. The process has involved City Planning Department staff reports and surveys as well as input from a Downtown Plan Advisory Committee comprised of university, neighborhood, planning commission, and at-large representatives. The goal of the planning process is to adopt a plan for downtown Berkeley which sets forth goals, policies, and an implementation program for the area.

This report covers the retail market analysis portion of the study. A second report will briefly analyze residential, office, and hotel markets in downtown Berkeley, as well as provide recommendations for the implementation program.

The initial report defines downtown Berkeley's market area, describes the market profile, analyzes retail sales trends for Berkeley as a whole, estimates leakage of potential citywide sales to retail centers outside of Berkeley, and describes the composition of sales in downtown Berkeley. The report also includes a discussion of results from a series of interviews of major national retailers and other local developers, and concludes with a summary of findings to date.

## RETAIL MARKET CONDITIONS

### Overview

The retail market in the City of Berkeley and its downtown is the subject of wide conjecture regarding its health, its role in the Bay Area economy, and its prospects for the future. Interestingly, people from vastly different walks of life share common many perceptions. Among the more widely held notions is that "nobody shops in Berkeley." Another is that Berkeley's downtown is moribund, that it cannot compete even against the retail nodes in its own neighborhoods, to say nothing of the regional competition.

Research conducted for this study indicated, however, that much of what is commonly supposed about Berkeley is misconceived. Both the City's overall and downtown retail markets are reasonably healthy, albeit with a complexion different from that in typical California communities. Most significantly, Berkeley shoppers seem unwilling to patronize the large general-merchandise department stores that dominate sales in many cities. With the recent closing of Hink's, J.C. Penney is the only remaining major department store downtown.

Without visible anchors, it is easy to believe that Berkeley is not a shopping town. But people do shop in Berkeley — residents and workers alike — the major difference being that they seem to prefer smaller specialty type stores.

Moreover, Berkeley's central business district in many ways fulfills the traditional downtown role by providing a focus for the City's retail market. Equally important, the downtown in Berkeley contributes just as significantly to the City as a whole as do the other downtowns analyzed in this study for their respective city.

### Market Profile

Income and demographic characteristics of Berkeley, Alameda County, and the SMSA from 1980 Census are highlighted in Table I. As shown, these figures indicate that Berkeley is characterized by relatively small households (2.10 persons per household) compared with Alameda County (2.52 per household) and the SMSA (2.48 per household).

TABLE I  
SELECTED DEMOGRAPHIC CHARACTERISTICS

	<u>Berkeley</u>	<u>Alameda County</u>	<u>San Francisco- Oakland SMSA</u>
Population <sup>1</sup>	103,328	1,105,379	3,250,630
Number of Households	53,837	427,372	1,282,689
Average Household Size <sup>2</sup>	2.10	2.52	2.48
Median Household Income	\$13,506	\$18,700	\$20,017
Median Family Income	\$20,360	\$22,863	\$24,648
Per Capita Income	\$8,461	\$8,657	\$9,593
Median Age	29.1	30.7	32.3
% Owner-Occupied Units	38%	53%	56%
% Renter Occupied Units	62%	47%	44%

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<sup>1</sup> Population includes people in group quarters (e.g., dorms).

<sup>2</sup> Average household size is 1980 population minus group quarter population, divided by number of households.

Source: 1980 Census; Lynn Sedway & Associates.

Since Berkeley's households are smaller than those in Alameda County and the SMSA, it is not surprising that median household incomes are substantially lower — \$13,506 for Berkeley, \$18,700 for Alameda County, and \$20,017 for the SMSA. In a community like Berkeley with small households, per capita income provides a more accurate indicator of relative affluence. Berkeley's 1980 per capita income, \$8,461, was similar to Alameda County (\$8,657), and 13 percent less than the SMSA (\$9,593).

The slightly younger median age in Berkeley (29.1 years) reflects its student population. Similarly, Berkeley's housing unit tenure reflects the community's composition: approximately 62 percent of Berkeley's units were occupied by renters in 1980, compared with 47 percent for Alameda County and 44 percent for the SMSA.

In summary, Berkeley's population is characterized by younger, smaller households who rent their housing. Income levels in Berkeley reflect the age and student status of some of its residents; however, this factor is offset by other, relatively affluent households, resulting in a per capita income comparable to SMSA levels.

### **Citywide Retail Sales Trends**

Taxable retail sales in Berkeley amounted to \$489 million in 1984, as shown in Table 2. This figure includes all taxable sales in conventional retail stores. Total taxable sales, which also includes taxable sales at other types of outlets such as services and "factory-direct" warehouses, brings the total to \$693 million.<sup>1</sup>

Taxable retail sales have more than doubled since 1970 in nominal terms (non-deflated dollars) as shown graphically in Figure 1a. In real terms, however, total sales growth during the period was about 19 percent; per capita sales growth was over 31 percent. In comparison, statewide real per capita growth was about 25 percent. Berkeley's growth rate has been partially enhanced by growth in office workers and students.

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<sup>1</sup> These figures exclude nontaxable sales (primarily food for home consumption and prescription drugs). These nontaxable sales were estimated by Lynn Sedway & Associates to be \$70 million in 1984.

TABLE 2  
TAXABLE SALES STATISTICS  
BERKELEY AND RELATIVE TO STATE  
1970, 1974, 1979-1984

**Total Permits and Sales, RETAIL ONLY**

YEAR	BERKELEY PERMITS	PERCENT CHANGE	BERKELEY TAXABLE SALES(c)	PERCENT CHANGE	DEFLATED(a) TO 1970	BERKELEY PERCENT CHANGE	STATE PERCENT CHANGE(b)	BERKELEY AVERAGE SALES PER OUTLET (NOMINAL)	BERKELEY PERCENT CHANGE	STATE AVERAGE SALES PER OUTLET (NOMINAL)	STATE PERCENT CHANGE
1970	992	--	\$149,146	--	\$149,146	--	--	\$150.33	--	\$167.74	--
1974	1,056	6.5X	\$201,482	35.1X	\$161,576	8.3X	21.0X	\$190.80	26.9X	\$250.85	49.5X
1979	1,102	4.4X	\$335,977	66.8X	\$181,296	12.2X	16.8X	\$304.88	39.8X	\$410.10	63.3X
1980	1,124	2.0X	\$356,744	6.2X	\$167,048	-7.9X	-8.4X	\$317.39	4.1X	\$430.29	4.9X
1981	1,146	2.0X	\$398,626	11.7X	\$165,451	-1.0X	-6.1X	\$347.84	9.6X	\$455.49	5.9X
1982	1,201	4.8X	\$410,997	3.1X	\$158,645	-4.1X	-8.6X	\$342.21	-1.6X	\$443.47	-2.6X
1983	1,217	1.3X	\$447,405	8.9X	\$171,271	8.0X	8.2X	\$367.63	7.4X	\$485.39	9.5X
1984	1,254	3.0X	\$488,830	9.3X	\$177,617	3.7X	4.3X	\$389.82	6.0X	\$527.83	8.7X

**Total Permits and Sales, ALL OUTLETS**

YEAR	BERKELEY PERMITS	PERCENT CHANGE	BERKELEY TAXABLE SALES(c)	PERCENT CHANGE	DEFLATED(a) TO 1970	BERKELEY PERCENT CHANGE	STATE PERCENT CHANGE(b)	BERKELEY AVERAGE SALES PER OUTLET (NOMINAL)	BERKELEY PERCENT CHANGE	STATE AVERAGE SALES PER OUTLET (NOMINAL)	STATE PERCENT CHANGE
1970	2,437	--	\$218,434	--	\$218,434	--	--	\$88.90	--	\$101.28	--
1974	2,930	19.3X	\$292,233	33.8X	\$234,353	7.3X	20.7X	\$99.74	12.2X	\$138.09	36.3X
1979	3,562	21.6X	\$482,484	65.1X	\$260,353	11.1X	17.2X	\$135.45	35.8X	\$205.06	48.5X
1980	3,568	0.2X	\$522,637	8.3X	\$244,729	-6.0X	-8.0X	\$146.48	8.1X	\$211.91	3.3X
1981	3,615	1.3X	\$576,815	10.4X	\$239,409	-2.2X	-5.4X	\$159.56	8.9X	\$222.22	4.9X
1982	3,848	6.4X	\$591,399	2.5X	\$228,280	-4.6X	-9.2X	\$153.69	-3.7X	\$208.69	-6.1X
1983	3,966	3.1X	\$637,371	7.8X	\$243,992	6.9X	6.7X	\$160.71	4.6X	\$221.51	6.1X
1984	4,188	5.6X	\$693,266	8.8X	\$251,899	3.2X	6.8X	\$165.54	3.0X	\$247.56	11.8X

(a) Deflated using S.F.-Oakland SMSA C.P.I. for Urban Consumers; all C.P.I. figures are annual average, except 1984, which is as of June 1984.

(b) State figures are real per capita sales, deflated as above.

(c) Expressed in thousands of dollars.

Source: State Board of Equalization; Lynn Sedway and Associates

(gl6berk)

FIGURE 1  
TAXABLE RETAIL SALES, STORES ONLY  
BERKELEY, 1970-84

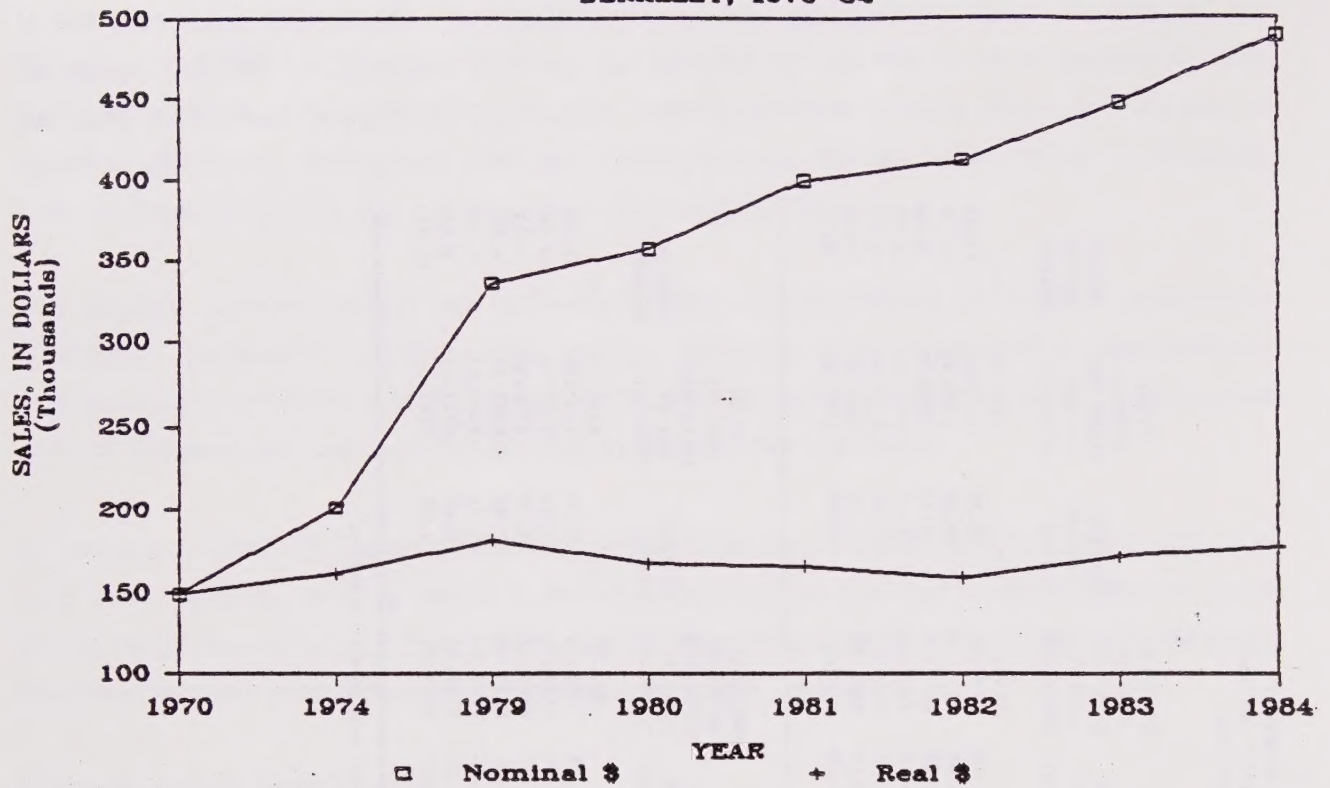
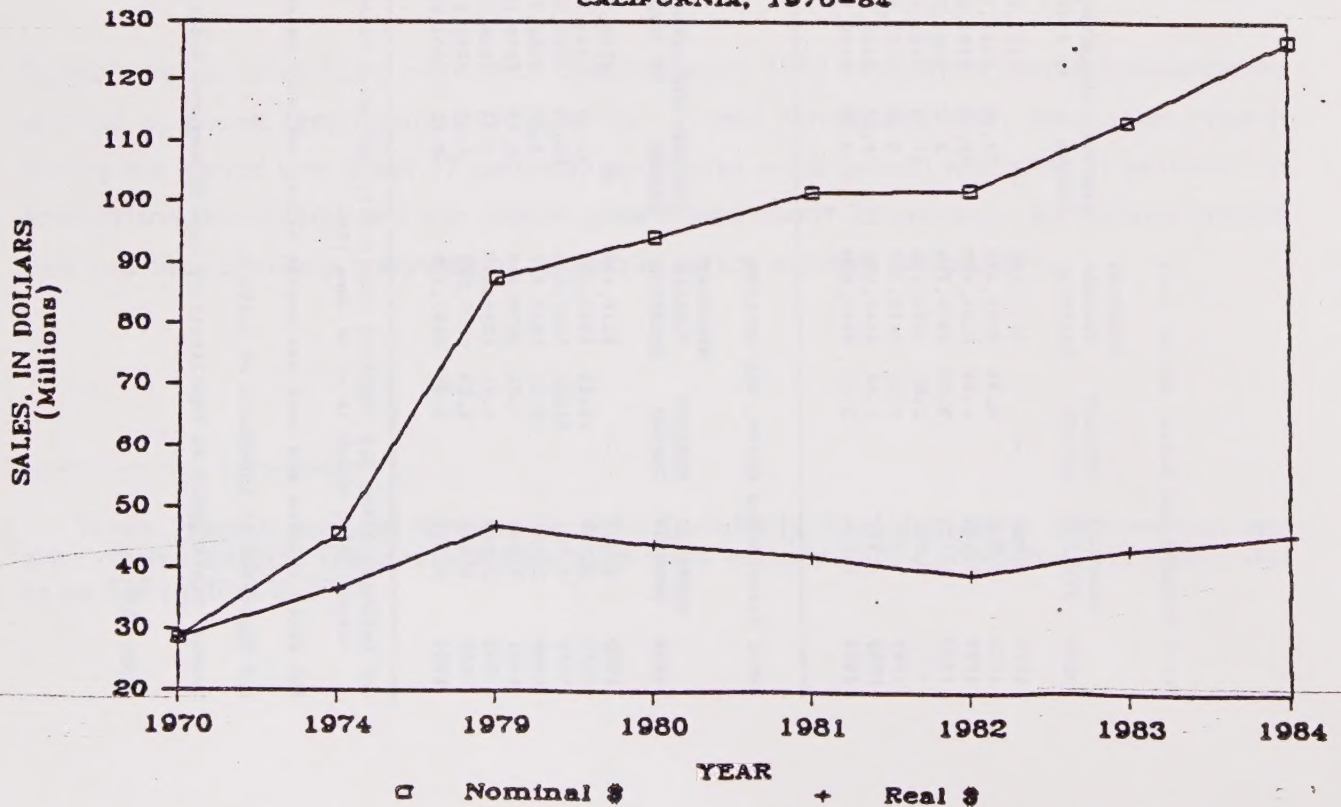


FIGURE 1B  
TAXABLE RETAIL SALES, STORES ONLY  
CALIFORNIA, 1970-84



Berkeley's retail growth pattern is more moderate than the State's, as demonstrated by the year-to-year fluctuations in real growth shown in Table 2.<sup>1</sup> Sales increased more slowly during expansionary years, but also declined less during recessions. However, Berkeley's performance has been impressive when considering competition from regional malls.

Berkeley's success is probably tied to the stabilizing influence exerted by the student population. Student spending depends much less upon current economic conditions and earnings than does spending by the general population. Thus, student spending is relatively invariable with respect to cyclical economic changes: it won't decline as much as spending by the general population during recessions, nor increase as much during expansions. As a result, Berkeley's overall sales growth rate is comparable to the State's.

### **Citywide Composition of Sales**

Shopping patterns in Berkeley are quite different from statewide patterns. As shown in Table 3, sales in specialty stores accounted for only 13 percent of all taxable retail sales statewide, in 1984, while such sales accounted for about 22 percent of sales in Berkeley. Similarly, sales in home furnishings/appliance stores accounted for almost twice the percentage of sales in Berkeley (8.2 percent) than such sales statewide (4.5 percent). Finally, Berkeley has a greater proportion of sales in apparel (5.3 percent) than in the State (4.5 percent). These sales occurred at the expense of sales in general merchandise (department) stores, with an eighty percent lower concentration of sales in Berkeley than statewide (2.4 versus 12.5 percent in 1984). Thus, people who shop in Berkeley demonstrate a clear preference for patronizing smaller, single-item shops over larger general merchandise stores.

Sales in restaurants and bars also were particularly strong, accounting for over 18 percent of taxable retail sales, compared to 12 percent of State sales, a 50 percent

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<sup>1</sup> In Table 3, real taxable sales in Berkeley are contrasted with real per capita taxable sales growth for the State, which is not strictly comparable. However, annual population figures required to calculate per capita figures for Berkeley were not available. Comparing total State sales figures to those in Berkeley would be even more misleading, because the State population grew about 27 percent during the period, while Berkeley's fell almost 10 percent.

TABLE 3  
COMPOSITION OF TAXABLE RETAIL SALES  
BERKELEY VS. STATE  
1970 and 1984

PERMITS BY STORE TYPE (a)	RETAIL TAX PERMITS			RETAIL TAX PERMITS			RETAIL TAX PERMITS			1984 BERKELEY PERCENT/ STATE PERCENT(c)
	IN BERKELEY		PERCENT CHANGE 1970-1984	IN BERKELEY		CHANGE (by percent) 1970-1984	STATEWIDE, 1984			
	(in numbers)			(by percent)			NUMBER	PERCENT		
	1970	1984		1970	1984					
Apparel	87	102	17.2X	6.8X	6.3X	-0.5X	19,931	6.1X	103.7X	
General Merchandise	22	28	27.3X	1.7X	1.7X	.0X	6,001	1.8X	94.6X	
Drug	30	18	-40.0X	2.3X	1.1X	-1.2X	4,381	1.3X	83.3X	
Food	107	125	16.8X	8.3X	7.7X	-0.6X	21,641	6.6X	117.1X	
Packaged Liquor	38	31	-18.4X	3.0X	1.9X	-1.0X	5,712	1.7X	110.0X	
Eating and Drinking Places	206	333	61.7X	16.0X	20.5X	4.5X	56,106	17.1X	120.3X	
Home Furnishings and Appliances	67	107	59.7X	5.2X	6.6X	1.4X	19,325	5.9X	111.1X	
Building Materials	33	40	21.2X	2.6X	2.5X	-0.1X	10,498	3.2X	77.2X	
Auto Dealers and Supplies	53	55	3.8X	4.1X	3.4X	-0.7X	14,421	4.4X	77.3X	
Service Stations	90	43	-52.2X	7.0X	2.6X	-4.3X	14,049	4.3X	62.0X	
Other Retail Stores	259	372	43.6X	20.1X	22.9X	2.8X	67,843	20.6X	111.2X	
Business and Personal Services	295	367	24.4X	22.9X	22.6X	-0.3X	88,839	27.0X	83.7X	
TOTALS	1,287	1,623	26.1X	100.0X	99.9X	NA	328,947	100.0X	--	

SALES BY STORE TYPE (b)	TAXABLE RETAIL SALES			TAXABLE RETAIL SALES			TAXABLE RETAIL SALES			1984 BERKELEY PERCENT/ STATE PERCENT(c)
	IN BERKELEY		PERCENT CHANGE 1970-1984	IN BERKELEY		CHANGE (by percent) 1970-1984	STATEWIDE, 1984			
	(in 1970 dollars)			(by percent)			(in 1970 dollars)			
	1970	1984		1970	1984		NUMBER	PERCENT		
Apparel	\$13,856	\$9,901	-28.5X	8.9X	5.3X	-3.6X	\$2,218,933	4.5X	116.5X	
General Merchandise	\$12,506	\$4,565	-63.5X	8.1X	2.4X	-5.6X	\$6,101,149	12.5X	19.5X	
Drug	\$6,445	\$5,120	-20.6X	4.1X	2.7X	-1.4X	\$1,266,495	2.6X	105.5X	
Food	\$13,541	\$12,580	-7.1X	8.7X	6.7X	-2.0X	\$4,299,003	8.8X	76.4X	
Packaged Liquor	\$9,058	\$4,681	-48.3X	5.8X	2.5X	-3.3X	\$703,320	1.4X	173.7X	
Eating and Drinking Places	\$22,033	\$34,561	56.9X	14.2X	18.4X	4.2X	\$5,827,547	11.9X	154.8X	
Home Furnishings and Appliances	\$8,587	\$15,308	78.3X	5.5X	8.2X	2.6X	\$2,192,532	4.5X	182.3X	
Building Materials	\$5,443	\$9,233	69.6X	3.5X	4.9X	1.4X	\$3,400,765	6.9X	70.9X	
Auto Dealers and Supplies	\$27,935	\$26,550	-5.0X	18.0X	14.2X	-3.8X	\$8,407,740	17.2X	82.4X	
Service Stations	\$2,221	\$14,672	560.6X	1.4X	7.8X	6.4X	\$5,061,678	10.3X	75.7X	
Other Retail Stores	\$27,521	\$40,448	47.0X	17.7X	21.6X	3.9X	\$6,570,540	13.4X	160.7X	
Business and Personal Services	\$6,194	\$9,894	59.7X	4.0X	5.3X	1.3X	\$2,899,964	5.9X	89.1X	
TOTALS	\$155,340	\$187,511	20.7X	100.0X	100.0X	NA	\$48,949,668	100.0X	NA	

(a) Includes only those outlets offering taxable items for sale.

(b) In thousands of 1970 dollars, deflated as explained in Table 3, footnote (a). Includes taxable sales only. Taxable sales account for approximately one-third of total sales in grocery stores, and sixty percent of total sales in drug stores. In addition, nontaxable sales account for the vast proportion of total sales by business and personal services, but the exact extent is unknown.

(c) Figures greater than 100 percent indicate overproportion; figures less than 100 percent show underproportion.

Source: State Board of Equalization; Lynn Sedway & Associates.

greater concentration. The breakdown by type of retail sales for Berkeley and the State is shown in Figures 2a and 2b.

The composition of the retail market in Berkeley has changed over the last fifteen years, becoming increasingly dominated by specialty shops and restaurants/bars (Table 3 and Figure 3):

- o The number of specialty shops increased 44 percent between 1970 and 1984, and real sales increased by 47 percent.
- o The growth in eating and drinking establishments was even more impressive, as the number of establishments grew 62 percent, and sales increased 57 percent.
- o Together, these categories accounted for 43 percent of retail stores and 40 percent of sales in 1984, up from 36 and 32 percent in 1970.

Other types of stores increasing in prominence include home furnishings/appliances, service stations, building materials, and services.

At the other end of the spectrum, general merchandise and apparel stores are playing much smaller roles than in the past.

- o Real sales in general merchandise stores fell 63 percent in the last fifteen years, despite a 27 percent growth in the number of stores, due to the increased patronage of specialty shops and the development of Hilltop Mall in Richmond.
- o Real sales for apparel dropped 2 percent, despite a 17 percent increase in the number of stores. This decline is also probably due, in part, to competition from Hilltop Mall apparel stores.
- o The proportion of sales going to these categories of stores dropped from 17 percent in 1970 to only 8 percent in 1984.

Other store types not retaining their proportion of sales include auto dealers and supplies, packaged liquor, groceries, and drugs.

FIGURE 2A

# TAXABLE RETAIL SALES IN BERKELEY

1984, Stores & Services Only

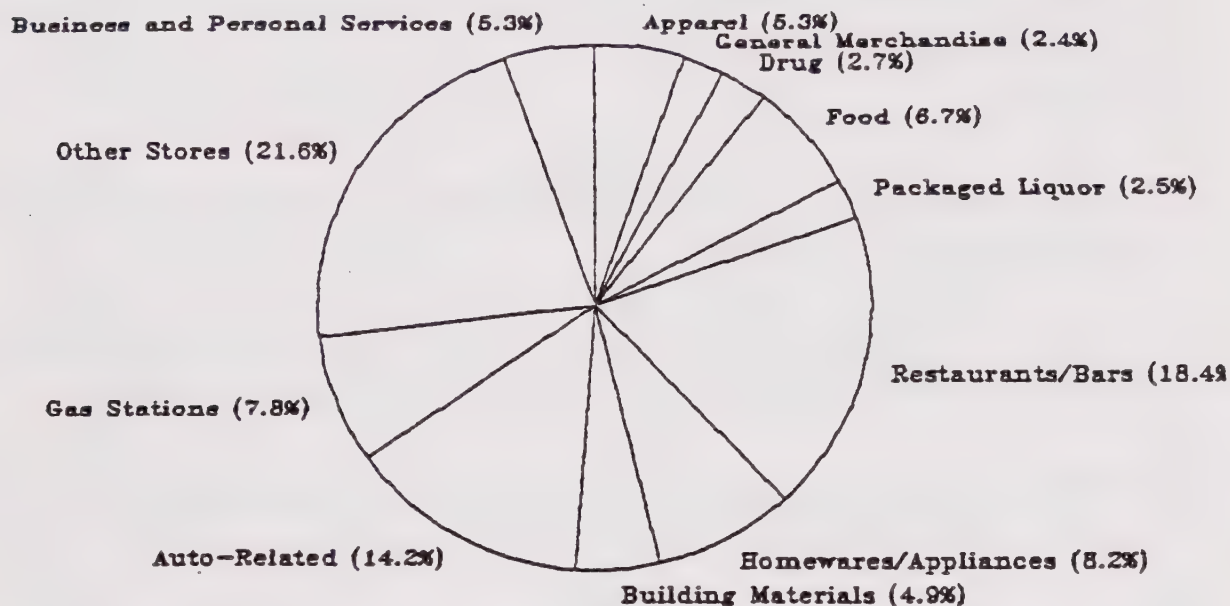
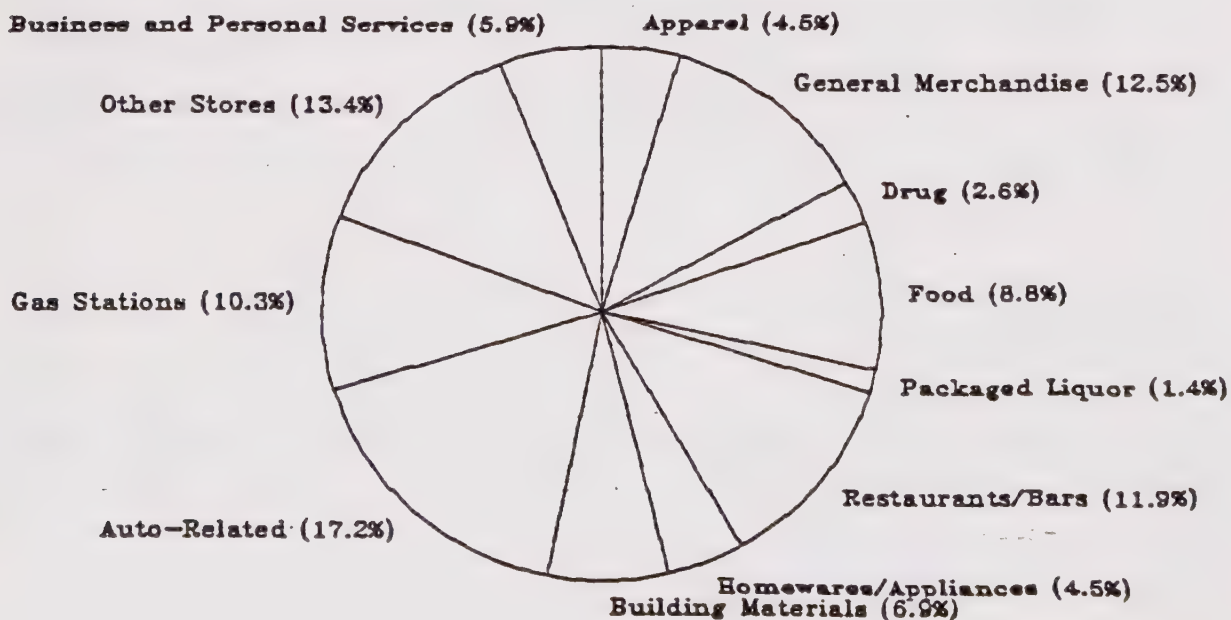


FIGURE 2B

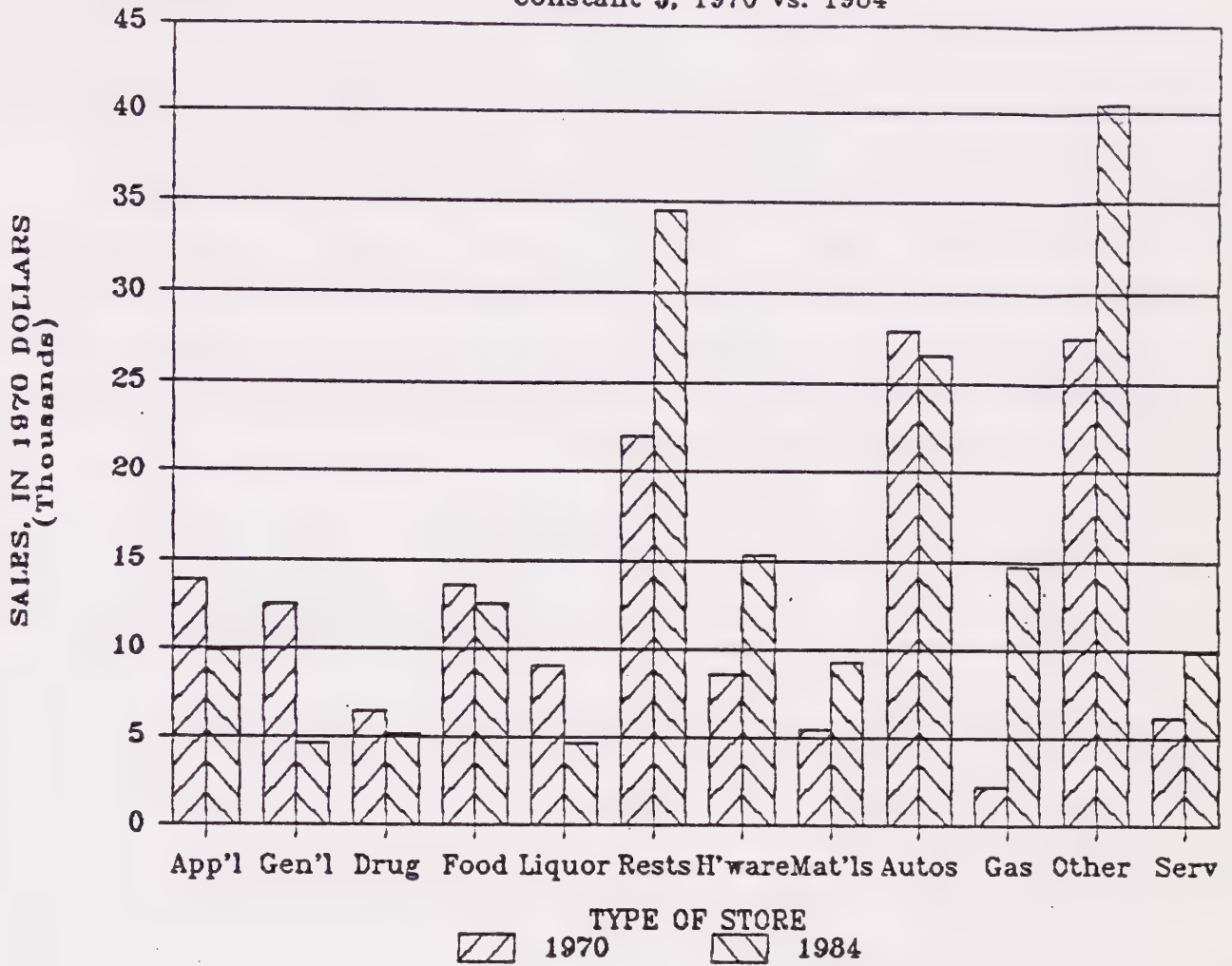
# TAXABLE RETAIL SALES IN CALIFORNIA

1984, Stores & Services Only



# FIGURE 3 TAXABLE RETAIL SALES IN BERKELEY

Constant \$, 1970 vs. 1984



## Potential Sales for City of Berkeley

Current potential sales data for retail goods in Berkeley are shown in Table 4 and Figure 4. In this analysis, actual sales are compared to estimates of "potential" sales based on State per capita consumption patterns adjusted for the local income.<sup>1</sup>

The potential sales analysis in Table 4 generally supports the conclusions of the proportion-of-sales analysis in Table 3. Store types with a relative underconcentration generally show a significant shortfall of sales; store types with greater than average concentration tend to have an excess of sales relative to the State, indicating a regional attraction of shoppers from outside Berkeley.

Store types with significant shortfall of sales include:

<u>Category</u>	<u>Sales Shortfall</u>	<u>Berkeley Sales Proportion Relative to California Sales Proportion</u>
General Merchandise	-82.2%	-80.5%
Building Material	-35.3	-29.1
Groceries	-29.6	-23.6

Store types with above average sales include:

<u>Category</u>	<u>Excess Sales</u>	<u>Berkeley Sales Proportion Relative to California Sales Proportion</u>
Home Furnishings	+66.9%	+82.3%
Packaged Liquor	57.8	73.7
Specialty Shops	21.0	60.7
Restaurants/Bars	42.2	54.8

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<sup>1</sup> The "potential sales analysis" approach assumes consumption patterns by residents are constant across all communities. Thus, the only variable is the location of stores where consumers do their shopping.

TABLE 4  
POTENTIAL SALES ANALYSIS  
ASSORTED CATEGORIES  
BERKELEY MARKET AREA

	Taxable 1984 Per Capita State Exp.	Potential Taxable 1984 Per Capita Exp.(a)	Potential Taxable 1984 Total Sales(b)	Actual Taxable 1984 Total Sales	Excess/ (Shortage) of Sales (in dollars)	Excess/ (Shortage) of Sales (in percent)
Apparel	\$238	\$241	\$25,310,311	\$27,248,000	\$1,737,689	6.8%
General Merchandise	\$633	\$667	\$70,498,698	\$12,563,000	(\$57,935,698)	-82.2%
Drug (c)	\$234	\$232	\$24,367,791	\$24,294,828	(\$72,963)	-1.1%
Food (d)	\$1,266	\$1,274	\$134,699,987	\$94,854,795	(\$39,845,193)	-29.6%
Packaged Liquor	\$76	\$77	\$8,164,945	\$12,882,000	\$4,717,055	57.8%
Eating and Drinking Places	\$626	\$633	\$66,876,678	\$95,117,000	\$28,240,322	42.2%
Home Furnishings/Appliances	\$235	\$239	\$25,249,352	\$42,129,000	\$16,879,648	66.9%
Building Materials (e)	\$363	\$372	\$39,285,534	\$25,411,000	(\$13,874,534)	-35.3%
Auto Dealers and Supplies	\$903	\$914	\$96,650,777	\$73,069,000	(\$23,581,777)	-24.4%
Service Stations	\$544	\$555	\$58,650,043	\$40,380,000	(\$18,270,043)	-31.2%
Specialty (f)	\$853	\$871	\$92,025,018	\$111,318,000	\$19,292,982	21.0%
<b>TOTAL, ALL RETAIL STORES</b>	<b>\$3,997</b>	<b>\$6,073</b>	<b>\$642,179,133</b>	<b>\$339,266,622</b>	<b>(\$82,912,511)</b>	<b>-12.9%</b>
Business/Personal Services (g)	\$312	\$318	\$33,584,458	\$27,230,000	(\$6,354,458)	-18.9%
All Other Outlets (h)	\$2,314	\$2,361	\$249,513,655	\$177,206,000	(\$72,307,655)	-29.0%
<b>TOTAL, ALL RETAIL OUTLETS</b>	<b>\$8,623</b>	<b>\$8,754</b>	<b>\$925,277,246</b>	<b>\$763,702,622</b>	<b>(\$161,574,624)</b>	<b>-17.5%</b>

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(a) Per capita expenditures for each area were estimated using per capita income figures relative to the State and expenditure adjustment algorithms developed by Lynn Sedway & Associates. The algorithms are based on data from the Consumer Expenditure Survey published by the U.S. Bureau of Labor Statistics, while the ratio of city to state income (102 percent) comes from the 1980 Census.

(b) Potential sales based on the 1984 population of the City of Berkeley as estimated by ABAG.

(c) Assumes taxable sales account for 58 percent of total sales based on State Board of Equalization estimates.

(d) Assumes taxable sales account for 36.5 percent of total sales based on LS&A research.

(e) Includes farm implement dealers.

(f) Includes "other retail stores" as defined by the State Board of Equalization.

(g) Local sales based on unpublished data from the State Board of Equalization.

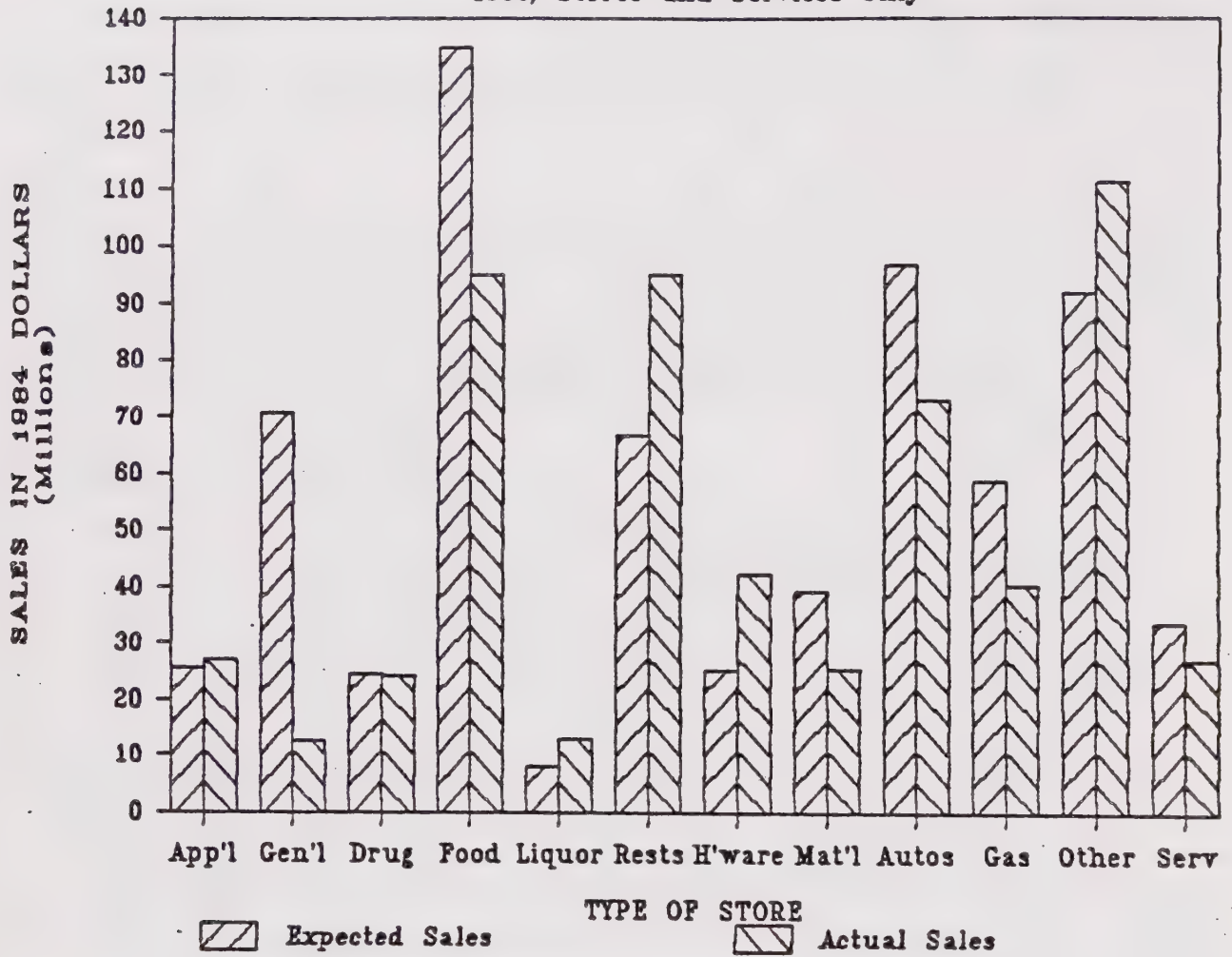
(h) Includes sales by manufacturers, wholesalers, and other non-traditional retail outlets.

Sources: State Board of Equalization; U.S. Bureau of the Census; Association of Bay Area Governments; Lynn Sedway & Associates.

FIGURE 4

# POTENTIAL VS. ACTUAL SALES

1984, Stores and Services Only



Overall, approximately 13 percent of potential sales "leak" to stores outside of Berkeley, as reflected by the sales shortfall figures. This leakage is not excessive given the proximity of such regional-drawing centers as Hilltop, in addition to being only minutes from San Francisco's world-renowned shopping areas. As with the concentration ratios, the figures indicate that the shortfall in general merchandise stores is somewhat balanced by greater than average sales in smaller apparel, home furnishings, and other specialty stores. Similarly, the high restaurant sales partially compensate for low grocery sales, reflecting a propensity for smaller, younger households to eat in restaurants rather than at home. Thus, while Berkeley lacks sales and stores in the general merchandise category, other specialty and apparel stores compensate, indicating a probable tendency of local consumers to prefer the smaller store environment.

### **The Importance of Berkeley's Downtown**

A traditional, thriving downtown is characterized by two attributes regarding the retail market. It accounts for a large share of its city's total retail sales, and the stores are more oriented toward higher-value comparison goods than less expensive convenience goods.<sup>1</sup> Contrary to some popular opinion, the Central Business District (CBD) is indeed the heart of Berkeley's retail market and functions as a traditional downtown.

Drawing upon its base of office workers, BART and AC Transit commuters, students, neighborhood residents, and tourists, the downtown retail market is both strong and diverse.

Berkeley's downtown contains numerous small retail shops carrying apparel, specialty goods (books, stationery, luggage, etc.), movie theaters, live theaters, hotels, offices, and services for businesses and consumers. Data from the 1982 Economic Census (shown in

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<sup>1</sup> "Convenience goods" are generally defined as quick-sale items for which consumers usually are unwilling to drive long distances to purchase. They are contrasted with "comparison goods," typically more expensive items for which consumers will invest more time to compare prices and quality. The components of each category are listed in Tables 5 and 6.

Table 5 and Figures 5-6) indicate that the significance of Berkeley's CBD in the total retail market of the City is comparable to CBDs in other major Bay Area cities.<sup>1</sup>

Analysis of the data indicates that the role of the CBD in Berkeley is most similar to San Francisco, and to a lesser extent Oakland:

- o The CBD accounts for 24 percent of all stores in Berkeley, compared to 23 percent for San Francisco's CBD, 19 percent for Oakland, 5 percent for Richmond, and for Palo Alto.
- o For each city, "convenience goods" stores in the CBD account for 1/7 of all such stores, but less than 1/13 of the total sales, implying CBD stores are smaller than those in the rest of the City; this confirms observations that larger convenience stores such as supermarkets and super drug stores typically are located in neighborhoods.
- o For each city the CBD is the center for restaurants and bars, with Berkeley's CBD accounting for about 1/5 of such establishments in the City, compared to 1/4 of San Francisco's and Oakland's restaurants and bars.
- o Finally, for each city, the CBD accounts for about 30 percent of stores selling "comparison goods" and 20 percent of stores selling miscellaneous items, though San Francisco does show a greater concentration of comparison goods sales (nearly 50 percent ) due to the greater presence of large department stores and high-value specialty shops; Oakland's CBD has a much smaller concentration of shops.

The concentration figures for Berkeley's CBD are much greater than for neighboring Richmond — in which the Hilltop Mall (located outside its downtown) accounts for a greater proportion of stores and sales. The CBD in Palo Alto, however, is relatively larger, particularly for convenience goods. This comparison is highlighted because a major university figures prominently in each city.

Similar results were obtained in the "Survey of Business Licenses in Berkeley's Downtown", conducted prior to this study. That study analyzed various businesses' gross

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<sup>1</sup> Comparing the significance of one downtown to its city with that of another downtown and its city is sensitive to the definition of what constitutes the downtown. This analysis adopted the Census definition of a CBD, as well as the Census application of this definition for each city considered. The Census-defined CBD area for Berkeley includes approximately twice the land area as is in the Berkeley Downtown Study Area. Refer to Appendix A for additional explanation and a map.

TABLE 5  
RETAIL OUTLETS WITH PAYROLL  
DOWNTOWN BERKELEY  
VS. OTHER LOCAL CITIES  
1982

	Berkeley	San Fran.	Oakland	Richmond	Palo Alto
----- Central Business District as Percent of City -----					
Convenience Goods (a)					
Number of Stores	13.8%	13.1%	17.1%	12.5%	25.7%
Sales (\$)	7.1%	7.7%	7.3%	NA	12.6%
Eating and Drinking Establishments					
Number of Stores	23.3%	24.4%	22.2%	5.8%	28.4%
Sales (\$)	19.1%	24.6%	15.1%	NA	27.8%
Comparison Goods (b)					
Number of Stores	30.8%	30.2%	27.6%	5.0%	30.0%
Sales (\$)	32.8%	48.1%	35.0%	1.4%	13.4%
Other Goods (c)					
Number of Stores	22.7%	18.3%	10.2%	0.0%	27.0%
Sales (\$)	21.7%	10.5%	7.4%	0.0%	22.5%
TOTAL (with payroll)					
Number of Stores	24.1%	23.1%	19.2%	4.9%	28.3%
Sales (\$)	20.5%	24.5%	13.6%	1.6%	17.9%
TOTAL (all establishments)					
Number of Stores	19.3%	20.5%	15.5%	6.2%	27.6%
Sales (\$)	20.3%	24.2%	13.6%	1.9%	18.2%
Payroll (\$)	21.7%	27.4%	15.6%	2.2%	21.4%
Employees	24.5%	26.1%	17.6%	1.9%	21.4%
----- Payroll Establishments as Percent of All Establishments -----					
Central Business District					
Number of Stores	88.5%	76.9%	82.7%	54.8%	76.3%
Sales (\$)	98.7%	97.0%	97.6%	86.2%	97.4%
City					
Number of Stores	70.8%	68.1%	66.7%	69.5%	74.4%
Sales (\$)	97.6%	96.0%	97.4%	98.3%	98.6%
-----					

(a) Includes: grocery and drug stores.

(b) Includes: general merchandise stores, apparel and accessory stores, furniture, home furnishings, and equipment stores, and miscellaneous specialty goods shops (see Table 3, footnote [a]).

(c) Includes: liquor stores, florists, and auto-related uses, among other types.

Source: 1982 Census of Retailing, Major Retail Center Series; compiled by  
Lynn Sedway & Associates.

FIGURE 5

## ● CBD AS PERCENT ● OF CITY

STORES AND SALES, 1982

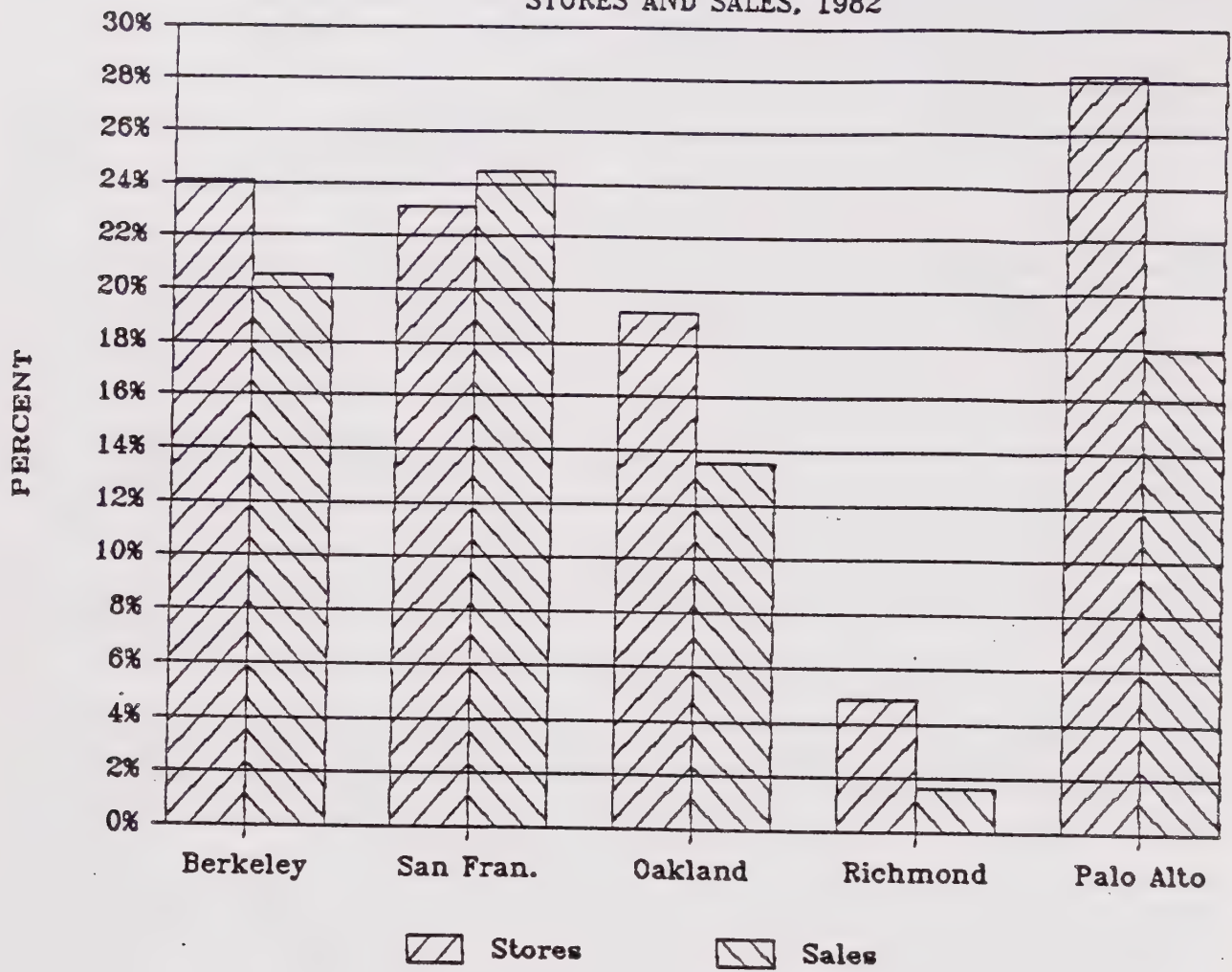


FIGURE 6A  
CBD STORES AS PERCENT OF CITY  
1982

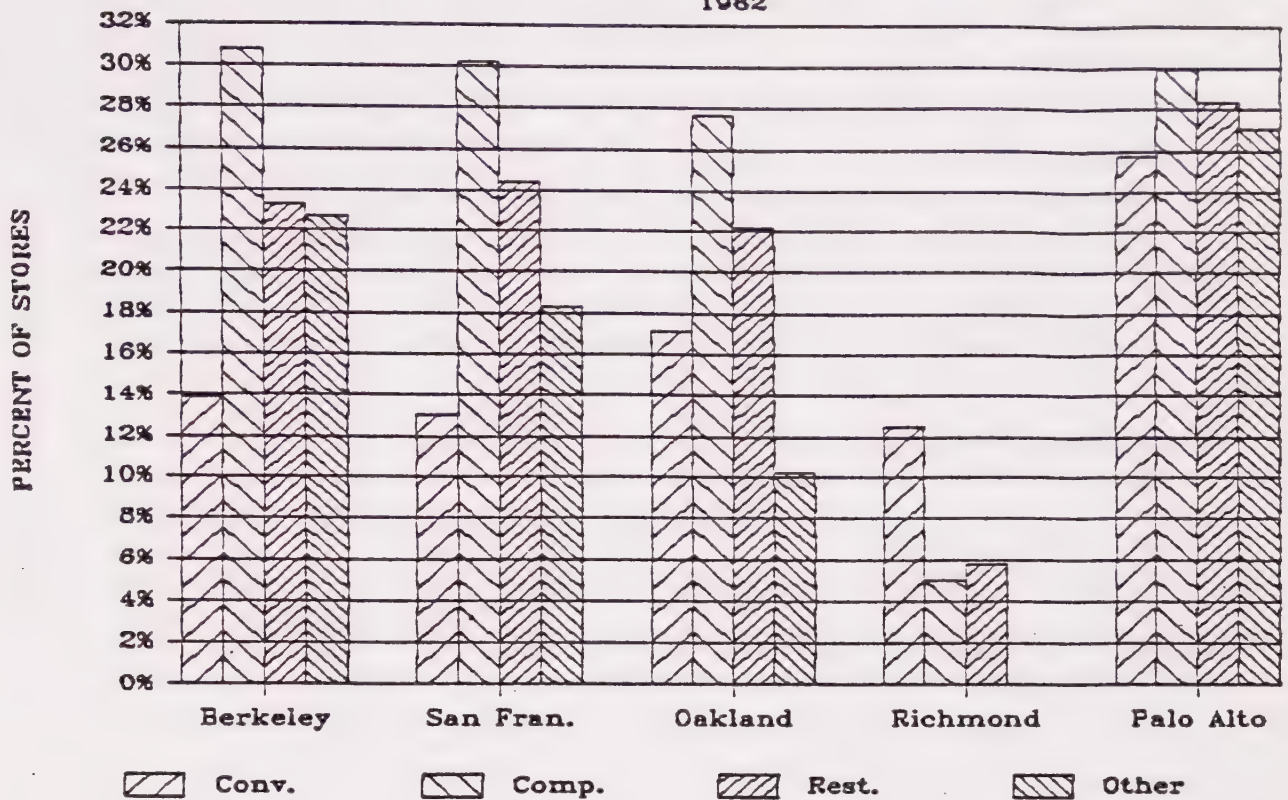
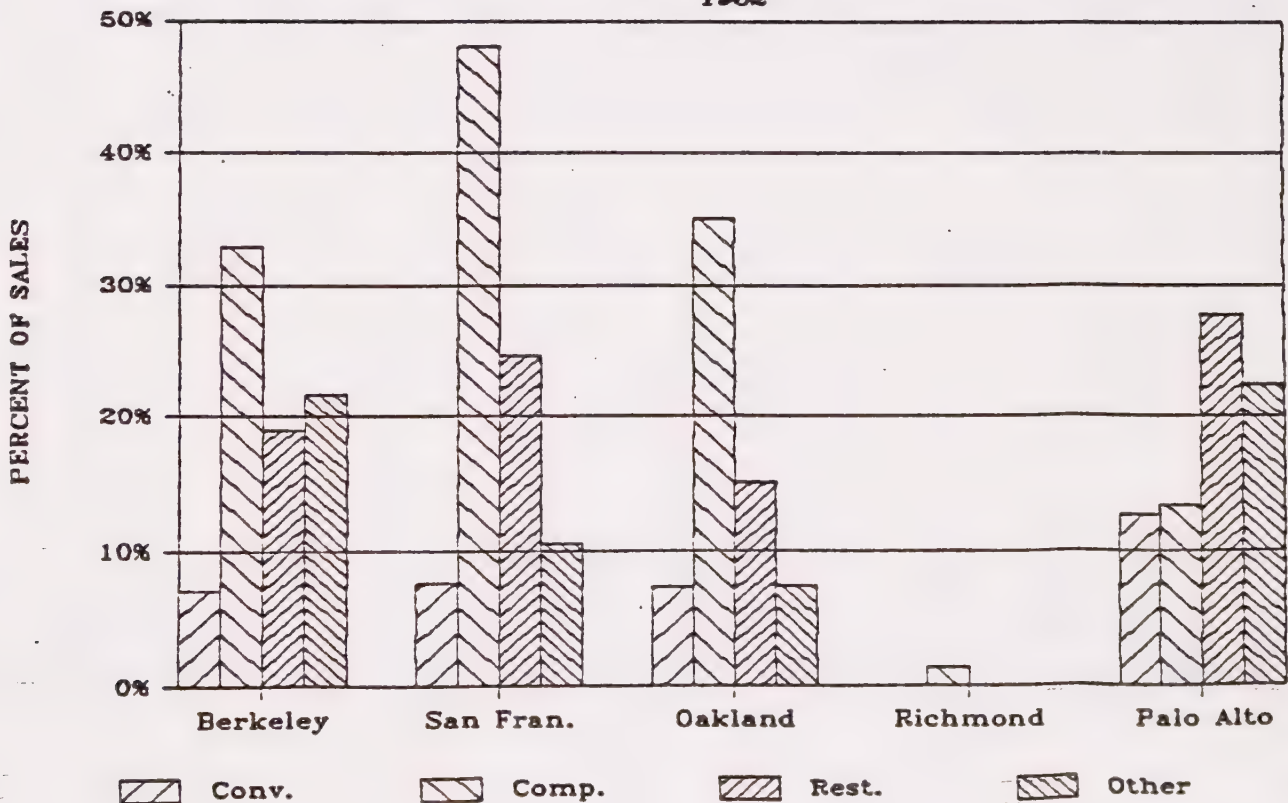


FIGURE 6B  
CBD SALES PERCENT OF CITY  
1982



receipts in early 1984 for different shopping areas. Data provided in the study show that for five categories of retail sales (specialty, food/beverage, bars/restaurants, clothing, and general merchandise), the Central Business District contributes 16.6 percent of total gross receipts for the City.<sup>1</sup> Interestingly, the second largest contributor was the San Pablo/University area, contributing 10.9 percent of total gross receipts for the retail categories, followed by Telegraph (10.2 percent), North Berkeley (3.4 percent), and Elmwood (2.6 percent). In total, the five areas contributed about 44 percent of total gross receipts for retail goods, with the balance distributed throughout Berkeley.

### **Types of Stores in the Downtown**

As noted above, Berkeley's CBD fulfills the traditional role of a downtown in terms of both volume of sales and orientation. This latter point is given additional credence in comparing the composition of the downtown retail district (Table 6 and Figure 7). Here again, Berkeley is seen as being most similar to San Francisco. For each city sales of convenience goods accounts for less than ten percent of total retail sales, somewhat lower than the figures for Oakland, Palo Alto, and presumably Richmond.

Rather, the CBD of Berkeley and San Francisco is dominated by sales of convenience goods accounting for about 75 percent of all sales in each CBD. One significant difference between the two cities, however, is that a much greater share of comparison goods sold in San Francisco's CBD are transacted in the large department stores of Union Square, while in Berkeley sales occur more in smaller specialty shops. This is even more true today than in 1982 with the closing of Hink's.

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<sup>1</sup> That study adopted the boundaries of the "Downtown Berkeley Study Area," an area approximately half the size of the Census-defined CBD. As noted above, the proportion of sales arising from a particular area is sensitive to how the boundaries of the area are defined.

TABLE 6  
DOWNTOWN BERKELEY  
VS. OTHER LOCAL CITIES  
1982

	Berkeley	San Fran.	Oakland	Richmond	Palo Alto
Composition of the Central Business District, by Percent					
<b>CONVENIENCE GOODS</b>					
Food Stores					
Number of Stores	6.8%	6.8%	13.0%	29.4%	9.5%
Sales (\$)	3.3%	3.8%	12.3%	40.7%	7.0%
Drug Stores					
Number of Stores	2.1%	2.6%	2.8%	11.8%	2.3%
Sales (\$)	3.4%	3.4%	2.3%	NA	4.7%
Total					
Number of Stores	8.9%	9.5%	15.8%	41.2%	12.0%
Sales (\$)	8.7%	7.2%	14.6%	NA	11.6%
<b>EATING AND DRINKING ESTABLISHMENTS</b>					
Total					
Number of Stores	26.0%	37.5%	35.0%	23.5%	25.3%
Sales (\$)	12.6%	19.6%	13.1%	NA	20.1%
<b>COMPARISON GOODS</b>					
General Merchandise Stores					
Number of Stores	0.5%	1.5%	1.1%	11.8%	0.6%
Sales (\$)	NA	22.7%	NA	NA	NA
Apparel and Accessory Stores					
Number of Stores	12.0%	16.5%	14.4%	17.6%	10.1%
Sales (\$)	15.6%	20.3%	12.4%	NA	7.6%
Furniture, Furnishings, & Equipment					
Number of Stores	9.4%	4.7%	6.8%	5.9%	8.2%
Sales (\$)	10.1%	4.2%	7.4%	NA	6.1%
Other Miscellaneous Stores (a)					
Number of Stores	19.8%	16.1%	11.6%	0.0%	20.3%
Sales (\$)	NA	14.7%	NA	0.0%	NA
Total					
Number of Stores	41.7%	38.8%	33.9%	35.3%	39.2%
Sales (\$)	41.2%	61.9%	49.3%	33.5%	29.3%
<b>OTHER GOODS</b>					
Building Materials and Hardware					
Number of Stores	1.0%	0.4%	0.8%	0.0%	3.8%
Sales (\$)	NA	0.9%	NA	0.0%	1.7%
Auto-Related					
Number of Stores	7.3%	1.1%	4.0%	0.0%	7.0%
Sales (\$)	NA	1.6%	NA	0.0%	NA
Liquor Stores					
Number of Stores	1.0%	1.3%	3.1%	0.0%	0.6%
Sales (\$)	NA	0.8%	2.9%	0.0%	NA
Total (b)					
Number of Stores	23.4%	14.2%	15.3%	0.0%	23.4%
Sales (\$)	37.5%	11.4%	23.0%	0.0%	39.0%

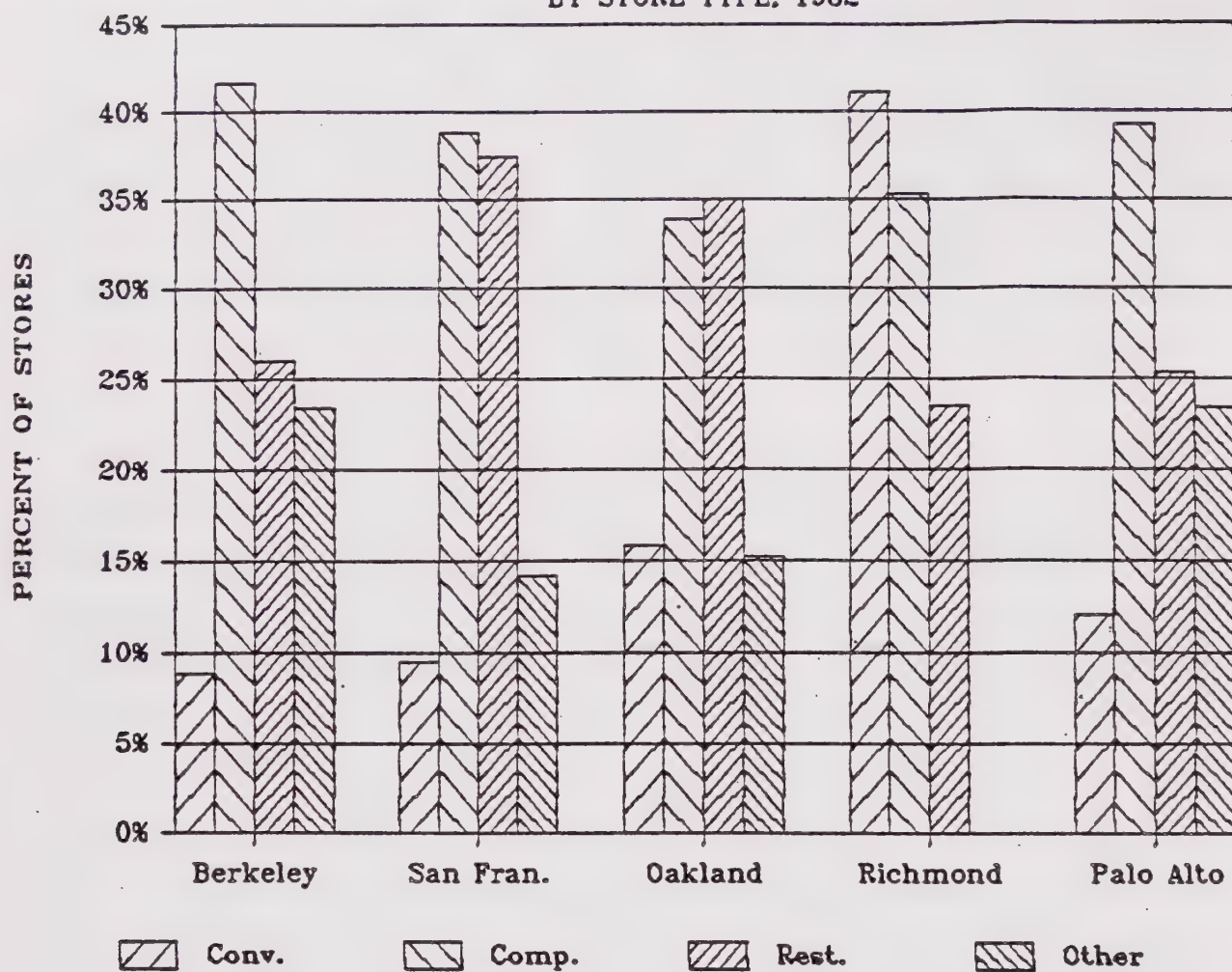
(a) Includes jewelry, gift/novelty, luggage, camera, hobby, stationary, book, sporting goods, and sewing shops, among others.

(b) May include some categories of goods not enumerated separately.

FIGURE 7

## COMPOSITION OF THE CBD

BY STORE TYPE, 1982



## MAJOR RETAILER PERSPECTIVES

As part of this study, several major national retailers were interviewed for their views and opinions about downtown Berkeley. The interviews were conducted by telephone, and followed a conversational format rather than a set survey instrument.

### Site Location Criteria

National or regional general merchandise retailers such as Macy's typically utilize certain site location criteria to determine the market feasibility of new department stores. During the past twenty years, as urban areas have grown and developed into a suburban pattern, most major retailers have focused their new store development efforts on suburban communities, locating in large shopping malls designed to draw from a regional geographic area. Thus, the primary criteria used to select a new store location is the "critical mass" of population in a market area. Macy's, for example, looks for a location which is accessible to at least 150,000 residents within a 20 minute driving time. An even denser population base within close proximity to a potential location serves to enhance the market area's attractiveness. In addition, the market area should not overlap with the same retailer's existing stores' market area.

The "critical mass" criteria varies from retailer to retailer, depending upon the size of a typical store. Macy's and Emporium Capwell require critical masses in excess of 150,000 people within close proximity to support their typical store size of 120,000 to over 200,000 square feet. Limited, Inc. a national chain of quality women's apparel, generally desires a critical mass of 250,000 people within five miles of the store, reflecting the more specialized nature of its merchandise. Most of these rules of thumb are oriented towards identifying appropriate suburban shopping mall locations, which rely upon automobile access. Thus, smaller downtowns are frequently overlooked by major retailers because they do not fit the suburban market criteria.

After identifying a sufficient market size, major retailers analyze the income and demographic characteristics of the market area to estimate potential sales. They review data to identify significant consumer groups such as two-income professional households with small children, or retired people with different consumption patterns. A major retailer will be less likely to locate in an area where income levels and demographics do

not clearly support the type of merchandise sold.

Finally, retailers often select a new store location based upon certain site-specific criteria such as the presence of other complimentary retailers. Retailers tend to follow a locational pattern where smaller specialty stores locate around general merchandise anchors to create an established shopping destination, drawing more customers to the mall than any single store would attract on its own. General merchandise anchors tend to locate where other large anchors are locating, resulting in a shopping facility with two or more anchors as a typical configuration. Smaller stores seek out and follow these anchors, thereby reducing their risk. Additionally, research indicated that smaller retailers will often seek locations where other competing retailers have gone, based on the presumption that shoppers will be drawn to the synergistic grouping of stores, reducing risk to the retailer.

In addition to site specific synergy, retailers look for sites with positive locational attributes such as freeway or major arterial access, mass transit access, good traffic circulation patterns, convenient and ample parking, and overall pleasant ambiance. In suburban shopping mall locations, many of these locational attributes depend upon the developer's design of the mall. In more urban, downtown locations, these attributes generally come under the jurisdiction of many public and private organizations.

### **Downtown Berkeley**

Telephone interviews conducted for this study began by asking the retailer/retail developer about their prior consideration of downtown Berkeley as a potential location and their views on the market area.<sup>1</sup>

Both Macy's and Emporium Capwell's representatives felt that the East Bay market area was sufficiently served by existing stores at Hilltop Mall, Union Square in San Francisco, Southland Mall in San Leandro, El Cerrito Plaza (Emporium Capwell), and downtown Oakland (Emporium Capwell). The Limited, Inc. stated that they have a Limited Express in the Telegraph shopping area, which they consider a more dynamic shopping

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<sup>1</sup> Due to time and budget constraints, interviews were limited to Macy's, Emporium Capwell, The Limited, Inc., Constitution Square (new downtown rehab. with national retailer, Clotheshime, as tenant), and Glenn Issacson & Associates, developer.

environment than downtown. None of the retailers had researched the market potential of downtown Berkeley due to their perception that no market potential exists.<sup>2</sup>

The two general merchandisers (Macy's and Emporium Capwell) were asked about the concept of a junior department store, where a major retailer develops a smaller store facility tailored to a downtown location, typically selling soft goods and apparel. Both merchandisers stated that they had considered the junior department store concept in the past, but had decided that the concept did not fit with the companies' well-developed experience and merchandising skills. In addition, both retailers felt that the concept was economically unfeasible in today's marketplace.

The Limited, Inc. stated that downtown Berkeley had never been considered as a potential location because the company believed that the center of Berkeley's retailing was the Telegraph shopping area. This perception was based upon the observations that Berkeley's market is comprised primarily of university students, and other large retailers such as Miller's Outpost, Little Daisy, and McCaulou's have created a strong retail base in the Telegraph area. The Limited, Inc. desiring to follow the other major retailers, has located nearby.

The developer of Constitution Square, located in the heart of downtown Berkeley, was also interviewed for his leasing experience. A retail chain, Clothestime, had recently been secured as a prime ground floor tenant for the project. This store will be the first major chain retailer of apparel to locate in downtown Berkeley. According to the developer, the process of leasing to this type of tenant was difficult, and required a great deal of promotion of downtown Berkeley's unrealized market potential. Nevertheless, Clothestime viewed their commitment as risky, but did decide to proceed.

All of the retailers were interviewed regarding their perceptions about strengths and weaknesses of downtown Berkeley as a potential retail location. Each retailer responded similarly, describing Berkeley's image, both citywide and downtown, as the major weakness. On a citywide basis, Berkeley is viewed by these decision makers as a unique

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<sup>2</sup> This perception of deficient retail market is not verified by research and analysis for this report (e.g., strong demographics, limited leakage except for general merchandise, and moderately strong downtown sales base). Nonetheless, the perception exists, and would require aggressive marketing and promotion on the part of the City to overcome.

community with political and business risk. For example, the possibility of widespread commercial rent control, considered as an indicator of a negative business climate, was mentioned by several retailers. This political image, coupled with a perceived weakness in the demographics of the area, led the respondents to conclude that Berkeley would not become a market opportunity to major retailers for the foreseeable future.

Downtown Berkeley's image was perceived to carry the same political and business risk as the entire city. In addition, downtown Berkeley was described as suffering from associated physical image problems. The area was described as tired, dirty, poorly maintained, and poorly designed. Examples were cited such as lack of well-maintained street lights for night use and litter/loitering around the BART station entrance. Most of the retailers also mentioned that downtown Berkeley lacked a physical focus, so that positive attributes were not noticeable or did not compensate for the more visible negative attributes.

The final question posed during the interviews was, "What would it take to get you to consider downtown Berkeley?" Several of the retailers felt that no action(s) on the part of the City would be enough to change their view of Berkeley, due to the perceived lack of market that is required to support their full-size stores. Others mentioned cleanup, building rehabilitation, a change in political climate, and some type of redevelopment project as actions which may help improve downtown Berkeley's image.

## REGIONAL ADDITIONS TO RETAIL SUPPLY

The future of Berkeley's downtown retail market will be affected by major development projects in other East Bay communities. Many major retail projects are currently under construction, planned or proposed in the East Bay region (see Appendix B for a complete list of all major projects). If all proposed projects are constructed, between 2.6 to 3.5 million square feet of new retail space would be added to the existing supply. It is doubtful, however, that all these projects will be completed. Of the potential total, only 212,000 square feet, or eight percent, is currently under construction, to be completed by 1985-86. Approximately 26 percent of the total projected supply has received some level of development approval; the remaining 66 percent is still in a proposal/discussion stage.

Most of the major new retail projects are located in the City of Oakland. The largest project is a regional shopping/urban center of 700,000 to 1,000,000 square feet in the downtown area, near the Emporium Capwell's store. The site is part of the Redevelopment Agency's study area and is the focus of a downtown mixed-use development program. Other major projects in Oakland include the City Center Rotunda project, (a renovation of the old Liberty House), the Housewife's Market, and expansion of Jack London Square. The Rotunda project, currently under construction, is a mixed-use development which will contain 12,000 square feet of retail space. The Housewife's Market, a 300,000 square foot specialty center, is currently under construction. In addition, the Jack London Square project, a mixed-use development including 150,000 square feet of specialty retail, is planned for a 1988 opening.

Projected retail space in other East Bay cities totals 970,000 square feet. In Emeryville, a major regional shopping center of 700,000 square feet has been proposed, as well as 80,000 square feet of retail space in the Boxcraft building. Other retail projects include 100,000 square feet of retail space proposed as part of the Albany Specific Plan for the parcels owned by Santa Fe on the waterfront. In addition, an expansion of 170,000 square feet is under consideration by the El Cerrito Plaza; however, the Center is currently looking for a major tenant for the space before pursuing development approvals. Finally, an indeterminate amount of retail space may be developed by Santa Fe on the Berkeley portion of the waterfront.

## IMPLICATIONS OF THE RETAIL MARKET ANALYSIS

Perhaps the most significant finding of this analysis is the surprising vitality of the retail market in Berkeley and its downtown. Sales citywide are about thirteen percent less than potential, meaning office workers and tourists make up for almost all of the outside shopping by Berkeley residents. Moreover, sales growth in Berkeley over the past fifteen years has exceeded statewide per capita sales growth.

The downtown area also is doing quite well, despite widespread impressions to the contrary. The contributions of the downtown retail market to the City's economy are comparable to those made by successful downtowns in the Bay Area and beyond.

One of the keys to downtown Berkeley's success and growth to date has been the resilience of student spending patterns to fluctuations in disposable income due to cyclical economic changes. Another is that residents seem to prefer shopping in smaller specialty shops rather than larger general merchandise stores. This tendency has allowed Berkeley and its downtown to prosper despite its lack of a major retail draw such as a prestigious national retailer or regional mall.

These factors also underlie the success of Palo Alto and Santa Cruz: each city has a university that plays a major role in the city's economy; each city has a vibrant downtown of mostly small shops, despite the absence of major anchors to attract people to the area.

Downtown Berkeley's lack of strong anchors has its negative side as well. Without the credibility conferred by these nationally-known stores, the perception manifests in retailing circles that downtown Berkeley is not a suitable location for prestigious retailers. In addition, neighborhood shopping areas in Berkeley have drawn many of the specialty stores which compete directly with downtown. Thus, despite having the type of demographics and successful retail market desired by these chains, downtown Berkeley will not be able to attract them unless it devoted considerable resources to the effort.

This finding could prove increasingly problematic for downtown Berkeley in the coming years due to the profusion of prestigious retail space expected to be developed in neighboring communities. These centers could attract many of its clientele from

Berkeley residents, thereby straining existing Berkeley retailers, particularly those in the downtown. In turn, this would make attracting both national and local retailers to the downtown more difficult.

On the basis of these findings, the preliminary conclusion is that the downtown cannot continue to thrive indefinitely without the addition of major retail attractions. To remain healthy, Berkeley must act to improve its image to outsiders, both retailers and customers alike. Since department stores seem unwilling to consider Berkeley, and local shopping patterns indicate a preference for smaller specialty stores, future retail projects may focus upon a balanced mix of smaller stores in a pleasant shopping environment.

The image improvement should proceed on two fronts. First, the City needs to better promote its positive aspects to developers, major retailers, and the business community in general. In addition, the downtown area is perceived to lack the focus and "feel" of a dynamic downtown. Correcting this deficiency — and attracting major prominent retailers — would require a coordinated design program to improve the physical appearance of the downtown area. Such a program would begin with a study of the design aspects of downtown areas that make them successful. One outcome of this type of study will likely be the need for a cornerstone project to provide focus to and anchor the downtown, both visually and perceptually.

These conclusions are tentative, and may be refined pending the results of the shopper and merchant surveys being undertaken by the Planning Department. Insights from these studies would be especially valuable in suggesting design solutions to Berkeley's image problems. If available, the results of these surveys will be incorporated into the conclusions and recommendations in the final report of this study.

## APPENDICES

## APPENDIX A

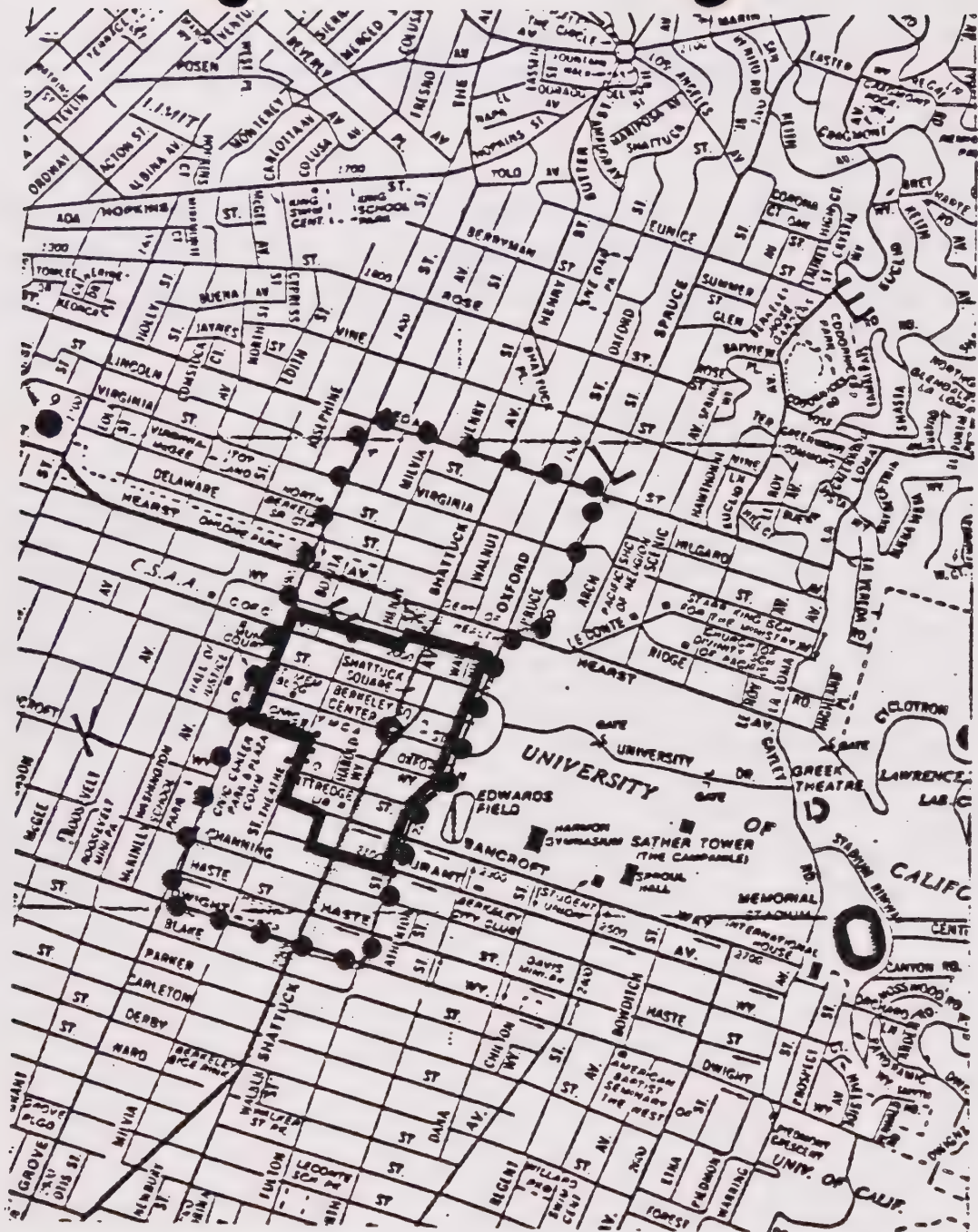
### DEFINITION OF CENTRAL BUSINESS DISTRICT

Data for downtown Berkeley was obtained largely from the 1982 Census of Retail Trade, Major Retail Centers Series, published quinquennially by the U.S. Bureau of the Census. As noted earlier, the analysis in this report adopted the Census Bureau's definition and applications of CBDs.

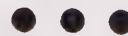
The Census Bureau defines a CBD as:

The defined downtown retail area of an SMSA central city, or other SMSA city of 50,000 persons or more. A CBD is an area of very high land valuation; high concentration of retail businesses, offices, theaters, hotels, and "service" businesses; and high traffic flow. It is defined by existing census tract boundaries and consists of one or more whole census tracts, except for a few CBD's with census tracts which include areas outside the corporate limits of the city...Census tracts are small, relatively permanent areas into which large cities and adjacent areas have been divided to show comparable small-area statistics.

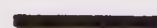
For Berkeley, the CBD includes the area bounded by Cedar Street, Spruce Street, Hearst Avenue, Fulton Street, Dwight Way, and Grove Street. This is roughly twice the area under consideration in the Berkeley Downtown Study Area, as shown on the attached map.



Berkeley Central Business District (CBD)  
1980 Census



CBD



Study Area

## APPENDIX B

### MAJOR PROJECTS UNDER CONSTRUCTION, PLANNED AND PROPOSED IN THE EAST BAY September 1985

PROJECT/LOCATION	TYPE OF USE	GROSS SQ. FT.	STATUS OF APPROVALS	ESTIMATED COMPL. DATE	COMMENTS
<b>EMERYVILLE</b>					
Martin & Co. East of I-80 64th & 65th St.	Office (Phase I)	325,000	Proposal EIR in Process	1986	Approvals anticipated by Sept. 85. Construction by end of year. Three bldgs. of 3-5 stories. Height of building not definite. Developer claims to have tenant for each building.
Santa Fe West of I-80	Hotel Condo	300 rms 110 units	Application for GPA	N/A	Application for GPA amend. to designate and rezone site for commercial use. Developer is awaiting completion of GP prior to pursuing proposal. Alternative to resid. units is a 2nd hotel. Project is on 133 acres and will include a promenade and pier. Some land to be dedicated for City park.
Pacific Union NEC Powell & Christie So. of 64th St.	Office/ Comm.	800,000	Proposal	N/A	Two office towers. Project may include retail outlet use as part of new construction or rehab of existing building. Proposal height of 20 stories will probably be reduced.
Glenn Isaacson & Associates	Regional Shopping Center	700,000	Proposal	N/A	Regional shopping center. Project faces several planning obstacles including traffic problems and negotiations with landowners.
Goldsmith & Lathrop West of I-80	Office	200,000	Master Plan	N/A	Master Plan approval for area. Fourth office tower in M.P. Third tower recently constructed and now leasing. Fourth tower is controversial and faces strong opposition. Parking is a major concern.
Holiday Inn West of I-80 Christie So. of 64th St.	Hotel Convlt. Center	400 rms to 500	N/A	N/A	No proposal to date.

Kurt Heith SEC Powell & I-80	Hotel Retail	300 rms 80,000	Proposal	N/A
<b>ALBANY</b> -----				
Santa Fe West of I-80	Office	2,200,000 to 3,000,000	N/A	N/A
	Hotel	165 rms		
	Resid.	100 units		
	Retail	100,000		
<b>EL CERRITO</b> -----				
El Cerrito Plaza 304 El Cerrito	Retail	170,000	No Application	N/A
<b>RICHMOND</b> -----				
Bart Site Marina Way & Barrett	Office	150,000	Proposal	N/A
Memorial Park Site McDonald & Marina	Office	100,000	Proposal	N/A
Marina Bay Project	Resid.	4,000 units	Approved	N/A
Hilltop Office Park	Office Resid. Hotel	980,000 300 units 275 rms	Approved	1987-95
Hilltop Village	Resid.	1,680 units	Approved	1985+
Mikuni Berkeley Hilltop Indst. Park	R & D	2 acres	Approved	1986

No formal application. Revised development plans include renovating old Box Craft building as part of development.

Albany Phase I Specific Plan. Preliminary land use plan only. Plan identifies waterfront development alternatives.

Expansion of existing shopping center to include a new major tenant. Owner of center is looking for anchor tenant before pursuing approvals. The center had discussed a joint parking garage with the City and Bart, but plans fell through.

Office project with some commercial space. Developer is waiting to sign a major tenant before continuing with development approvals.

Office project with some commercial space. Developer is waiting to sign a major tenant before continuing with approvals.

New developer will be submitting project design. Previous project included 4,000 residential units and 2,000 boat slips. New design to include some commercial space.

Completed office park will total 1.1 million sq. ft. to be phased over 10 yrs. A 16-story hotel and a 9 hole golf course are in negotiation.

Hilltop Village to contain 680 units incld. 38 S.F. units and 642 multi-family. Prices from \$80,000 - 240,000. A separate resid. project contains 1000 apartment units on 40 acres. At buildout, Hilltop will have 3,000 resid. units.

Two acres approved for R & D space.

Britannica-Hilltop Business Center Hilltop Indst. Park	R & D	205,000	Approved	1986+	Project is on 16.6 acres.
Pacific Scene Hilltop Indst. Park	Office	60,000	Approved	1986+	N/A
Orosel Hilltop Indst. Park	R & D	130,000	Approved	1986	N/A

#### OAKLAND

City Center Block of 14th, Broadway & Grove	Office/ Comm.	4,000,000 150,000	Approved	1990	Construction ongoing through the 80's. 12 block complex. Project includes 12 office bldgs., 150,000 sq. ft. retail, 4,000 parking spaces and 600 resid. units. Fourth office bldg. of 160,000 sq. ft. just completed. Project has completed 1 million sq. ft. office space with approvals for another 4 million.
City Center Rotunda/ Old Liberty House	Office Retail	250,000 128,000	Under Construction	Spring 1986	Construction of retail & office space. Glass domed rotunda. Developer desires mid to high end retail tenants.
Oakland Iron Works Phase II	Office	40,000	Approved	1986	Project includes 15,000 sq. ft. retail space and 6,000 sq. ft. restaurant.
2101 Webster St.	Office	415,000	Under Construction	1985	20 story office bldg. Project includes 1 story parking facility for 35 vehicles.
Old Oakland/ Victorian Row 8th-10th St.	Office Comm. Hotel	64,000 120,000 25 rms	Under Construction	1987	Victorian structures converted into mixed use project. Two & three story brick bldgs. 79,000 sq. ft. retail & 41,000 sq. ft. restaurant (anchors).
World Savings 1901 Harrison	Office	365,000	Under Construction	1986	12 story office bldg. with underground parking for 300+ spaces.
Asia Pacific Bldg. 367 9th St.	Office Comm.	10,000 15,000	Under Construction	1985	Commercial/office condominiums. Five story bldg. First floor retail, 2nd & 3rd floors restaurant, 4th & 5th floors office.
Cadillac Fairview 19th & Harrison	Office	500,000	Approved	N/A	Thirty story office building.

Chinatown Tower Broadway	Office Retail Resid.	50,000 45,000 200 units	Approved	1987	18 story building. Project includes parking facilities for 500 vehicles. Project has been delayed due to landownership and financing problems.
Chinatown Redev. Project	Office Hotel Resid. Retail	600,000 300 rms 250 units 50,000	Proposal	1987-88	City to select developer for project. Project will include 2 office towers, a community center, and possibly a hotel instead of the 3rd office bldg. Parking for 1675 vehicles. EBMUD bldg is part of project. Two towers include a 350,000 sq. ft. bldg. and the EBMUD bldg.
Bechtel Bldg. Broadway, Clay & 11th St.	Office Retail	242,000 8,000	Requires Council Review	N/A	Part of City Center Development. Office Bldg. V. 12 story building.
City Center Dev. Hotel Project	Hotel	300 rms	Approved	1986	First class hotel & 14,000 sq.ft. banquet facilities. Parking garage for 500. 20 story building.
EBMUD Headq. Franklin, Webster, 9th & 10th St.	Office	240,000	Approved	1987	Part of Chinatown redevelopment. EBMUD will occupy most of building, but may lease out 50,000 sq. ft. or less.
Far East Comm. Plaza 9th & Clay St.	Office/ Comm.	29,000	Approved	1985	Office/commercial condominiums. 3 story building.
Housewives Market 9th & Webster St.	Retail	300,000	Approved	N/A	N/A
Kaiser Center 20th & Webster	Office	4,500,000	Approved	N/A	Project has been put on hold. Developer lost major tenant.
Oakland Intl. Trade Center Phase III	Office	275,000	Approved	N/A	Project includes 215,000 sq.ft. parking.
Jack London Square Port of Oakland	Office Retail Hotel	250,000 150,000 300 rms	Approved	1988	Mixed use project. 117 specialty shops (small tenants - none larger than 8,000 sq. ft.), Sheraton Hotel. Parking garage for 1,000 vehicles and undg. parking for 300.
Lake Point Towers Lakeside Drive, Madison & 17th St.	Resid.	400 rms	Approved	N/A	Renovation of Lake Merritt Hotel and demolition of adjacent apartment building for rental units.

Downtown Urban  
Retail Center  
Downtown Oakland

Comm./ 600,000  
Retail to  
1,000,000

No Application N/A

Downtown urban retail center to be located  
near to Emporium-Capwells. Part of  
Redevelopment Agency study area.

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